


 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

 FORM APPROVED
 OM B No. 1004-0137
 Expires: March 31, 2007

BATTERY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Month - Year

5. Lease Serial No.

NM 12557

6. If Indian, Allottee or Tribe Name

OCD - ARTESIA, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator JALAPENO CORPORATION

3a. Address

P.O. Box 1608, Albuquerque, NM 87103

3b. Phone No. (include area code)

505-242-2050

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 1650' FWL S.18, T.9-S, R. 28-E

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

DUNCAN FED. 5

9. API Well No.

30-005-62901

10. Field and Pool, or Exploratory Area

WOLFE LAKE SAN ANDRES

11. County or Parish, State

CHAVES COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other USE OF
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	FIBERGLASS
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	SALES TANKS

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

WE REQUEST AUTHORITY TO USE FIBERGLASS PRODUCTION AND SALES TANKS ON THIS BATTERY.

A. THE CRUDE OIL ON THIS LEASE IS CORROSIVE, AND USE OF FIBERGLASS TANKS GREATLY REDUCES THE POSSIBILITY THAT AN OIL SPILL FROM ONE OF THE SALES TANKS WILL OCCUR BECAUSE OF THAT CORROSION.

B. THE TANKS ARE MANUFACTURED BY BELCO MANUFACTURING COMPANY AND THE GAUGE TABLES FOR THE TANKS ARE BASED ON THE SIZE OF THE MANDREL OR MOLD ON WHICH THE TANK INTERIOR DIMINSIONS WERE FORMED.

C. EACH OF BELCO'S TANKS OF THE SAME SIZE HOLDS THE SAME FLUID VOLUME AT A GIVEN GAUGE HEIGHT BECAUSE EACH IS FORMED ON A MANDREL OF THE SAME SIZE.

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

HARVEY E. YATES, JR.

Title PRESIDENT

Signature

Date

5/10/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /S/LARRY D. BRAY

 Assistant Field Manager,
 Lands And Minerals

Date

MAY 15 2007

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

ROSWELL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)